

Air cargo firm lands here

Whirlwind courtship means jobs for area

By Jan Chait

Tribune-Star Staff Reporter

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After a whirlwind courtship lasting less than one week, Terre Haute won its bride in the form of an air-cargo operation expected to employ between 180 and 250 people initially and perhaps more later.

Evergreen International Aviation Inc. will use Hulman Regional Airport as a hub from which to distribute overnight express mail for the U.S. Postal Service beginning June 8.

Mayor P. Pete Chalos said Wednesday that Evergreen "will start with 15 planes per night, and they've already requested three more. For each airplane, there is a need for more people. If it grows like UPS or Federal Express, we're talking about hundreds of employees in the future."

The courtship actually began in late April, when a Texas firm that planned to use Terre Haute as its hub learned it had failed to get the U.S. Postal Service contract to distribute and

transport mail.

At that point, Chalos said, "we contacted the successful bidder and told them our airport was certainly available. Just because the firm that used our airport lost, doesn't mean other people didn't need a good airport, so we contacted the winners."

That contact paid off in the form of a telephone call from Evergreen at 5 p.m. Friday. By 6 p.m., airline officials were in Terre Haute and meeting with city, county and airport officials.

Over the weekend, an agreement was put together that will allow Evergreen to operate out of the airport's new snow-removal building until it can construct a permanent facility.

Even before the Hulman Regional Airport Authority signed an agreement with Evergreen on Wednesday night, workers were working to convert the snow removal building into a mail-distribution center.

"They have a deadline," Chalos said. "They have to start June 8, and we're making every effort to be sure they'll be able to fly out. We'll take the risk . . . because the potential is there."

"What we're looking at is the potential for growth into a permanent facility that will employ hundreds of people. You have to be able to do that. I think the attitude in Terre Haute is changing. People are taking risks. I see a great attitude in [people] willing to work around the clock and take a risk for the future of Terre Haute. I think the future is what we make it."

Vigo County Commissioners President James Diehl, D-3rd, said Wednesday, "They're out there knocking holes in the walls."

The \$500,000 renovation project involves expanding the size of the 18,000-square-foot building, putting in overhead doors, openings for conveyor belts going into the building, a shed to cover the belts, an apron all around the building for airplanes, and a road for trucks.

Chalos said the money will be repaid from landing fees generated by Evergreen. Evergreen is expected to pay a minimum of \$350,000 per year for the first two years.

He also said that, once Evergreen comes in, "Terre Haute becomes attractive to other [firms]. We're looking at them as a focal point."

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building

Construction crews rush to expand

Business and Industry (W) - Evergreen Express

By Cheryl Bickel
Tribune-Star Staff Reporter

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In 19 days, a building not yet one year old is to be expanded by 25,000 square feet.

Machinery capable of distributing thousands of pieces of mail that must get there overnight must be in place, and workers must be ready to get that mail onto airplanes lined up and waiting on Hulman Regional Airport's runway.

Can it be done?

"We're doing it," said Jim Wade, engineer at R.W. Armstrong and Associates. "One way or another, we will be operational June 8."

The building will be a temporary distribution site for Evergreen International Aviation Inc., which announced Wednesday that it would hire local workers for its nationwide air-cargo shipping center. Express mail delivery starts June 8 — which means the building and equipment must be in place by then.

Getting it done will be an extraordinary feat, Wade said, "but I think it can be done."

CDI Inc. of Terre Haute will provide two shifts of construction workers to meet Evergreen's operational deadline. Tom Francis of CDI said the building might not be complete by June 8, but air cargo workers should have a structure stable enough to begin. The building should be done June 22, he said.



Tribune-Star/Jim Avellis

Beehive: Construction crews move dirt to expand apron around snow-removal building.

Work began at 8 a.m. Wednesday — before the formal announcement that the plant would open — and some mail-sorting

equipment arrived Thursday, Francis said.

"As we pour concrete, they set conveyers up behind us," Francis said. "It's a big

rush, but we can handle it."

About 50 workers will be on site daily until the job is done, he said. Lights were

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installed and the first night shift crew was to work Thursday, Francis said.

Renovation of the building will cost between \$600,000 and \$800,000, Wade said.

The building is owned by the airport. Evergreen will use it until its permanent building is built.

Terre Haute Economic Development Commission agreed Thursday to lend the Airport Authority \$100,000 for one year, interest-free, for initial expansion costs.

Evergreen is expected to pay the airport at least \$700,000 in landing and other airport fees in two years. The EDC loan would be repaid from that revenue, EDC attorney Eric Frey said.

"We're just providing some seed capital to get the project going," he said after the meeting.

Frey said if Evergreen is successful and expands as it projects, a city fire station would be added to the airport. For now, the city will continue to provide back-up fire protection service to the Indiana Air Guard's firehouse at the airport.

But first, Evergreen must have a building to house its operations. Wade said the building might not be walled in by June 8, but mail will be sorted even if the walls aren't up.

"We're not saying that we're going to have that building 100 percent with a bow tied on it June 8," he said.

Business and Industry (WV)

Evergreen roars in, calms down

After initial jubilation, air mail carrier hit some turbulence

By Joe Baker
Assistant City Editor

Ts JAN 10 1988

Evergreen Express roared into Terre Haute in mid-1987 like a lion, but by the end of the year, the company that had dominated the local jungle was behaving more like a lamb in unknown pasture.

The mail distribution company's boast of entering the new year with a tripled workforce working around the clock evaporated into uncertainty after Federal postal regulators ruled Oct. 30 that the U.S. Postal Service's \$136 million two-year contract with Evergreen to distribute mail was awarded improperly.

A competing contractor — TPI International Airways of Miami — has responded with an appeal that the contract be revoked.

Postal officials have not reached a decision on that appeal.

Evergreen made headlines nationwide when it began operations at Hulman Regional Airport on June 8. The startup took 18 days after local authorities marshaled area resources to help convert facilities at the airport to a base for express mail.

Under contract, Evergreen gathers mail from 23 cities, flies it here for sorting and then relays the letters and packages from coast to coast.

Evergreen officials expected the number of cities they

were serving to increase.

Timothy G. Wahlberg, president of Evergreen International Aviation Inc., said on a tour of Evergreen facilities here in July that Evergreen would add 11 cities and the workforce would be tripled to 600 from 200 and work around the clock by fall if everything went well the next week in his meeting with postal officials in Washington.

Expanded parking was critical to Evergreen adding additional cities and expanding its nighttime operation into daytime, then-Evergreen executive vice president of Owen L. Morrison had said.

Two days later, a federal grant of \$825,000 was announced as part of a \$2.65 million plan to expand airport parking area by 9.2 acres. A \$488,689 federal grant was awarded on Sept. 4, bringing to \$1.3 million the amount available for the expansion.

Also that day, McMahan-Conner Construction Co. of Rochester was awarded a \$1.966 million contract do the expansion.

The airport expansion has been completed, but Evergreen's has not.

Inquiries about a delay in Evergreen expansion were referred to Donna Nelson, administrative vice president of Evergreen International in Oregon. Nelson has not returned phone calls made repeatedly to her office in late December and early January.

Meanwhile, 21 families living near the airport, who formed Concerned Citizens Regarding the Airport in October, have questioned airport officials about

circumstance surrounding Evergreen's move to Terre Haute. Specifically, the group questions how the contract was let to expanding airport facilities to accommodate Evergreen and also how taxpayer's money has been used in the Evergreen project.

Darrell Felling, attorney for the citizens group, told Hulman Regional Airport Authority officials that he would file a complaint with the U.S. attorney's office if they did not fully answer his group's questions.

Still, though, hundreds of thousands of pieces of mail are sorted at Evergreen each week and rerouted to new destinations throughout the country — all from Hulman Regional Airport.

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